SB 1601 (Senator Bowen) Cellular Telecommunications Service As Amended April 1, 2002

Recommendation: Support

Summary: This bill would require providers of cellular radiotelephone service to extend a minimum 30 day grace period to new customers during which the customer may rescind the agreement if the customer finds the cellular service quality to be unsatisfactory, and to provide notice to customers in the service agreement of this right.

Comments: This bill protects consumers.

Analysis: This bill requires wireless carriers to give new customers a 30-day grace period during which they can rescind the service agreement if the customer finds the service quality to be unsatisfactory. The bill also requires wireless carriers to provide customers with notice of this right in the service agreement. The bill brings state law into conformance with federal law, which allows states to address the terms and conditions of wireless carriers. According to Telco Division's analysis, the bill may also help resolve many of the customer complaints received by the CPUC regarding wireless service.

Legislative Staff Contact: Maria Bondonno, Staff Counsel bon@cpuc.ca.gov

CPUC- OGA

Bill Julian, Legislative Director

CPUC- OGA

(916) 324-8689 bj2@cpuc.ca.gov (916) 327-1407

Date: April 16, 2002

120756

Bill Language

BILL NUMBER: SB 1601 AMENDED

BILL TEXT

AMENDED IN SENATE APRIL 1, 2002

INTRODUCED BY Senator Bowen

FEBRUARY 20, 2002

An act to add Article 6 (commencing with Section 2899) to Chapter 10 of Part 2 of Division 1 of the Public Utilities Code, relating to telecommunications.

LEGISLATIVE COUNSEL'S DIGEST

SB 1601, as amended, Bowen. Cellular telecommunications service. Existing law empowers the Public Utilities Commission to regulate telecommunications services and rates of telephone corporations and to require telephone corporations to provide customer services.

This bill would declare the intent of the Legislature to establish policies, in subsequent legislation, encouraging higher quality telecommunications service.

Under existing law, the Federal Communications Commission licenses providers of cellular radiotelephone service.

This bill would require that providers of cellular radiotelephone service extend a minimum 30-day grace period to new customers during which the customer may rescind the agreement, if the customer finds that the cellular service quality is unsatisfactory, and to provide notice to customers of this right.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Article 6 (commencing with Section 2899) is added to Chapter 10 of Part 2 of Division 1 of the Public Utilities Code, to read:

Article 6. Cellular Telecommunications Service

—2899. It is the intent of the Legislature, in subsequent legislation, to establish policies encouraging higher quality cellular telecommunications service.

2899. Every provider of cellular radiotelephone service shall extend to new cellular service customers, a grace period of at least of 30 days, for customers to rescind the agreement and terminate service without cost or penalty, if the customer finds that the cellular service quality is unsatisfactory. Every new cellular radiotelephone service agreement shall provide reasonable notice of this grace period and the right of the customer to rescind the agreement if the customer finds that the cellular service quality is unsatisfactory.